COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PROPOSED LATE PAYMENT PENALTY OF) CASE NO. DEMA GAS COMPANY, INC.) 92-056

O_R_D_E_R

On July 16, 1991, Dema Gas Company, Inc. ("Dema") applied for, inter alia, authorization to charge a late payment penalty. The Commission denied Dema's application as it pertained to late payment penalty because proper notice of the proposed penalty had not been published. Dema subsequently applied for rehearing. Declaring that late payment penalty should be considered in a separate proceeding, the Commission denied the application for rehearing.

The Commission, on its own motion, HEREBY ORDERS that:

- 1. This proceeding be established to consider Dema's proposed late payment penalty.
- 2. The record of Case No. 91-230 is incorporated by reference into the record of this proceeding.

Case No. 91-230, The Application of Dema Gas Company for Rate Adjustment Pursuant to the Alternative Rate Filing Procedure for Small Utilities.

Done at Frankfort, Kentucky, this 14th day of February, 1992.

PUBLIC SERVICE COMMISSION

Chairman

Vice Chairman

Commissioner

ATTEST:

Executive Director